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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:)	
)	Chapter 11
BEAR ISLAND PAPER COMPANY, L.L.C., ¹)	Case No. 10-31202 (DOT)
)	
Debtor.)	
)	

**NOTICE OF WINNING AND ALTERNATIVE BIDDERS
PURSUANT TO BIDDING PROCEDURES**

PLEASE TAKE NOTICE THAT, on September 21, 2010, Bear Island Paper Company, L.L.C., as the above-captioned debtor and debtor in possession (“Bear Island” or the “Debtor”), together with the WB Group,² conducted an auction (the “Auction”) in accordance with the terms and conditions of, and in compliance with, the procedures (the “Bidding Procedures”) established pursuant to that certain *Order Approving (A) the Form of the Sale Agreement, (B) the Bidding Procedures, (C) the Sale Notice and (D) the Assumption Procedures and Assumption Notice* (the “Bidding Procedures Order”), entered on September 1, 2010 by the

¹ The last four digits of the Debtor’s federal tax identification number are 0914. The principal address for the Debtor is 10026 Old Ridge Road, Ashland, Virginia 23005.

² The WB Group consists of (a) White Birch Paper Company, (b) Stadacona General Partner Inc., (c) Stadacona Limited Partnership, (d) F.F. Soucy General Partner Inc., (e) Arrimage De Gros Cacouna Inc., (f) Papier Masson Ltee, (g) F.F. Soucy Limited Partnership, (h) F.F. Soucy Inc. & Partners, Limited Partnership and (i) Bear Island Paper Company, L.L.C.

United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division (this “Court”) [Docket No. 469].³

PLEASE TAKE FURTHER NOTICE THAT, on September 21, 2010, the Debtor closed the Auction after BD White Birch Investment, LLC, the Stalking Horse Bidder, emerged as the Successful Bidder in accordance with the terms and conditions of, and in compliance with, the Bidding Procedures. The Debtor also determined and identified a group comprised of BlueMountain Capital Management, LLC (as investment advisor to several funds managed by it) and its affiliates, Steelhead Partners, LLC and its affiliates, Lombard General Insurance Company of Canada and its affiliates, Macquarie Bank Limited and its affiliates, and MFP Partners, L.P. and its affiliates, which group collectively holds, in the aggregate, approximately 10% of the debt under the First Lien Credit Agreement, as the Alternative Bidder given that such group submitted the next highest or otherwise second best Qualified Bid during the Auction.

PLEASE TAKE FURTHER NOTICE THAT the Debtor will conduct a hearing before this Court, currently scheduled for 2:30 p.m. prevailing Eastern Time on September 30, 2010, to approve the proposed *Order (A) Authorizing and Approving the Sale of Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests, (B) Approving the Assumption and Assignment of the Assigned Contracts and (C) Granting Related Relief* (the “Sale Order”)⁴ in accordance with the terms and provisions to be included in the Supplement required to be filed pursuant to the Bid Procedures Order.

³ Capitalized terms used but not otherwise defined herein shall be ascribed the meanings provided in the Bidding Procedures Order.

⁴ The Sale Order was originally attached as **Exhibit B** to the *Motion of Bear Island Paper Company, L.L.C. for Entry of Orders Approving the (A) Form of the Sale Agreement, (B) Bidding Procedures, (C) Form and Manner of Notice of the Auction and Sale Hearing, (D) Procedures for the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (E) Sale of Assets Free and Clear of Liens, Claims, Encumbrances and Interests, and (F) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases* [Docket No. 403].

BEAR ISLAND PAPER COMPANY, L.L.C.

Dated: September 22, 2010
Richmond, Virginia

By: /s/ Jonathan L. Hauser
Of Counsel

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was sent either electronically or by overnight mail, postage prepaid, this 22nd day of September, 2010, to all necessary parties.

/s/ Jonathan L. Hauser